

109TH CONGRESS
2D SESSION

H. R. 6206

IN THE SENATE OF THE UNITED STATES

DECEMBER 8, 2006

Received

AN ACT

To revise the calculation of interest on investments of the
Harry S. Truman Memorial Scholarship Fund.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Truman Scholarship
3 Fund Modernization Act”.

4 **SEC. 2. REVISION OF INVESTMENT PROCEDURE.**

5 Section 10 of the Harry S Truman Memorial Scholar-
6 ship Act (20 U.S.C. 2009) is amended—

7 (1) by striking subsection (b) and inserting the
8 following:

9 “(b) INVESTMENT OF AMOUNTS APPROPRIATED.—

10 “(1) At the request of the Board, it shall be the
11 duty of the Secretary of the Treasury to invest in
12 full the amounts appropriated and contributed to the
13 fund. Such investments may be made only in the in-
14 terest-bearing obligations of the United States
15 issued directly to the fund.

16 “(2) The purposes for which obligations of the
17 United States may be issued under chapter 31 of
18 title 31 are hereby extended to authorize the
19 issuance at par of special obligations directly to the
20 fund. Such special obligations shall bear interest at
21 a rate equal to the average rate of interest, com-
22 puted as to the end of the calendar month next pre-
23 ceding the date of such issue, borne by all market-
24 able interest-bearing obligations of the United States
25 then forming a part of the public debt; except that
26 where such average rate is not a multiple of one-

1 eighth of 1 per centum, the rate of interest of such
2 special obligations shall be the multiple of one-eighth
3 of 1 per centum next lower than such average rate.
4 All requests of the Board to the Secretary of the
5 Treasury provided for in this section shall be binding
6 upon the Secretary.”; and

7 (2) by striking subsection (c) and inserting the
8 following:

9 “(c) SALE OF OBLIGATIONS ACQUIRED BY FUND.—
10 At the request of the Board, the Secretary of the Treasury
11 shall redeem any obligation issued directly to the fund.
12 Obligations issued to the fund under subsection (b)(2)
13 shall be redeemed at par plus accrued interest. Any other
14 obligations issued directly to the fund shall be redeemed
15 at the market price.”.

Passed the House of Representatives December 7,
2006.

Attest:

KAREN L. HAAS,
Clerk.